



3. Based on discussions with May, it has been my understanding that Prosper has been in the business of buying certain royalty interests in oil-and-gas properties, selling fractional interests in those royalty interests to individuals and entities (collectively, "Investors"), and paying the Investors monthly on their investments.

4. My duties as Controller of Prosper have included maintaining records of accounts receivable and accounts payable, processing payroll, signing checks, and using Quickbooks accounting software to record certain financial transactions. As part of these duties, I have processed and recorded investment funds received from Investors ("Investor Funds"), and deposited those funds into Prosper's bank accounts. I have also processed, recorded and deposited royalty income received from oil-and-gas producers, which includes income on royalty interests owned by the Investors (collectively, "Royalty Income"). Finally, in November and December 2009, and January 2010, I issued distribution checks to Investors ("Investor Distributions"), which were known as "royalty payments."

5. I used Prosper royalty statements to determine the payment amount for Investor Distributions. In November and December 2009, May prepared the royalty statements and provided them to me. In January 2010, at May's direction, I prepared the royalty statements by entering purported oil-and-gas revenue data into an Excel spreadsheet with embedded formulas. Both the data and the spreadsheet were provided to me by May and Prosper's Vice President Kenneth Stephens. I entered the data into the spreadsheet and it allocated the purported revenue among Investors, according to their purported fractional interests. I used the information generated by the spreadsheet to create the royalty statements.

6. I am not aware of any correlation between the amount of the Investor Distributions paid by Prosper for the period November 2009 through January 2010, and the amount of Royalty Income actually received by Prosper in that period.

7. During the period of my employment, Prosper has had bank accounts at Texas Capital Bank in Dallas, Texas, number \*\*\*\*\*8897, and People's State Bank in Kansas, number \*\*\*\*5800 (the "Bank Accounts"). Prosper has used the Bank Accounts for multiple purposes, including depositing the Investor Funds and Royalty Income, and making the Investor Distributions. To my knowledge, during my employment, Prosper has used no other bank account for these purposes.

8. In connection with my preparation of this declaration, and at the request of the staff of the U.S. Securities & Exchange Commission ("SEC"), I have reviewed schedules prepared by SEC accountant Ty Martinez. Copies of these schedules appear as **Exhibit A** to this Declaration. The schedules reflect deposits of Royalty Payments to, and disbursements of Investment Distribution Payments from, the Bank Accounts for November and December 2009. The schedules appear accurate to me and are consistent with my recollection that, as a matter of course, Prosper paid investors significantly more in distribution payments than it received in Royalty Income. Prosper used Investor Funds to make up the difference between the Royalty Income it received and the Investor Distributions it made.

9. May directed all day-to-day operations of Prosper and had full access to, and regularly reviewed, bank records for the Bank Accounts. To my knowledge and belief, he intentionally directed Prosper to use Investor Funds to pay Investor Distributions.

Executed on Thursday, March 11, 2010, in Fort Worth, Texas.

  
Dawn Dandridge

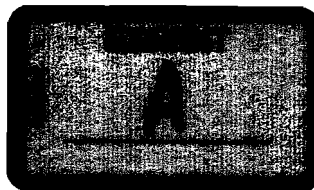
**SEC v. ALAN TODD MAY and PROSPER OIL & GAS, INC. a/k/a PROSPER ENERGY, INC.**  
**Consolidated Banking Activity for Texas Capital Bank Account No. XXXX-8897 and**  
**Peoples State Bank Account No. XXXX-5800**  
**For the Period From November 1, 2009 to December 31, 2009**

**ROYALTY INCOME DEPOSITED**

<b>TRANSACTION DATE</b>	<b>TRANSACTION DESCRIPTION</b>	<b>AMOUNT</b>
11/09/09	DCP MIDSTREAM, LP, REVENUE DISB, 6120 YALE, STE 1100, TULSA, OK 74136 (918) 524-0944	\$ 406.44
11/09/09	SAMSON LONE STAR LLC, REV DIST ACCT, TWO WEST 2ND ST, TULSA, OK 74103	92.27
11/23/09	FORTIS CAPITAL CORP TEXON LP	47,745.28
11/25/09	EOG RESOURCES INC, POB 4362, HOUSTON, TX 77210	96.54
11/25/09	CENTERPOINT ENERGY, POB 1700, HOUSTON, TX 77251 - VENDOR #223368	5,994.56
11/30/09	TARGA LOUISIANA FIELD SERVICES LLC, 1000 LOUISIANA STE 4300, HOUSTON, TX 877-672-1449	3,160.27
11/30/09	HILLCORP ENERGY CO, ROYALTY DISB ACCT, POB 61229, HOUSTON, TX 77208	207.08
11/30/09	CHESAPEAKE OPERATING INC. OKLAHOMA CITY, OK	1,731.79
11/30/09	PROVIDENCE MINERALS LLC, 14860 MONTFORT DR, STE 209, DALLAS, TX 75254	5,320.22
12/02/09	DCP MIDSTREAM, LP	772.02
12/02/09	STEPHENS PRODUCTION CO, FORT SMITH, AR	62.73
12/03/09	BELVAN PARTNERS LP, 211 NORTH COLORADO, MIDLAND, TX 79701 (432) 682-6311	6,553.76
12/11/09	VERNON E. FAULCONER INC, POB 7995, TYLER, TX 75711 (903) 581-4382	112.69
12/14/09	CONOCO PHILIPS CO., HOUSTON, TX	4,846.42
12/14/09	EOGRESOURCES, HOUSTON, TX	120.30
12/21/09	FORTIS CAPITAL CORP TEXON LP	35,935.68
12/31/09	BELVAN PARTNERS LP, MIDLAND, TX; NO MEMO	8,488.76

**TOTAL ROYALTY INCOME RECEIVED FROM 11/1/2009 THROUGH 12/31/2009**

**\$ 121,646.81**



**SEC v. ALAN TODD MAY and PROSPER OIL & GAS, INC. a/k/a PROSPER ENERGY, INC.**  
**Consolidated Banking Activity for Texas Capital Bank Account No. XXXX-8897 and**  
**Peoples State Bank Account No. XXXX-5800**  
**For the Period From November 1, 2009 to December 31, 2009**

**INVESTOR DISTRIBUTION PAYMENTS**

TRANSACTION DATE	TRANSACTION DESCRIPTION	AMOUNT
11/02/09		\$ (753.99)
11/02/09		(2,044.33)
11/02/09		(2,426.18)
11/02/09		(1,190.58)
11/02/09		(38.85)
11/02/09		(54.42)
11/02/09		(130.02)
11/02/09		(141.87)
11/02/09		(143.28)
11/02/09		(155.41)
11/02/09		(156.48)
11/02/09		(236.67)
11/02/09		(478.57)
11/02/09		(629.47)
11/02/09		(669.31)
11/02/09		(669.31)
11/02/09		(669.31)
11/02/09		(1,029.68)
11/02/09		(1,425.96)
11/02/09		(5,516.47)
11/03/09		(904.71)
11/03/09	POPE INC	(409.87)
11/03/09		(480.40)
11/03/09	JON POPE	(629.04)
11/03/09	JON POPE	(805.01)
11/03/09		(9,785.24)
11/03/09		(130.02)
11/03/09		(471.92)
11/03/09		(484.46)
11/03/09		(550.12)
11/03/09	JON POPE / ENTRUST, LAFAYETTE, CO	(601.86)
11/03/09		(654.85)
11/03/09		(668.56)
11/03/09		(669.31)
11/03/09		(1,201.25)
11/03/09		(1,236.06)
11/03/09		(1,341.43)
11/03/09		(4,540.82)
11/03/09		(5,240.77)
11/04/09		(118.22)
11/04/09		(637.00)
11/04/09		(643.53)
11/04/09		(668.45)
11/04/09		(669.31)
11/04/09		(669.31)
11/04/09		(725.60)
11/04/09		(1,132.35)
11/04/09		(1,760.33)
11/05/09		(668.45)
11/06/09		(668.45)
11/06/09		(454.08)
11/09/09		(452.45)
11/09/09		(453.97)
11/09/09		(12.00)
11/09/09		(34.00)
11/10/09		(669.31)
11/10/09		(2,033.28)
11/12/09		(512.45)
11/12/09		(2,680.01)
11/12/09		(2,680.01)
11/12/09		(38.85)
11/13/09		(273.18)
11/13/09		(639.34)
11/13/09		(669.31)
11/13/09		(682.18)

REDACTED

**SEC v. ALAN TODD MAY and PROSPER OIL & GAS, INC. a/k/a PROSPER ENERGY, INC.**  
**Consolidated Banking Activity for Texas Capital Bank Account No. XXXX-8897 and**  
**Peoples State Bank Account No. XXXX-5800**  
**For the Period From November 1, 2009 to December 31, 2009**

**INVESTOR DISTRIBUTION PAYMENTS**

TRANSACTION DATE	TRANSACTION DESCRIPTION	AMOUNT
11/13/09		(1,304.74)
11/16/09		(682.18)
11/16/09		(71.62)
11/17/09		(489.47)
11/17/09		(841.86)
11/17/09		(668.56)
11/18/09		(639.34)
11/18/09		(668.45)
11/18/09		(669.31)
11/19/09		(319.34)
11/20/09		(5,135.74)
11/23/09		(639.34)
11/24/09		(1,190.58)
11/24/09		(626.00)
11/24/09		(537.78)
11/24/09		(669.31)
11/25/09		(2,148.18)
11/25/09		(625.59)
11/25/09		(282.18)
11/25/09		669.31
11/25/09		626.00
11/27/09		537.78
11/27/09		(1,047.05)
11/27/09		(7,891.06)
11/27/09		(6,939.77)
11/30/09		(304.34)
11/30/09		(591.61)
11/30/09		(588.62)
11/30/09		(588.62)
11/30/09		(588.62)
11/30/09		(697.12)
12/01/09		(1,845.48)
12/01/09		(599.94)
12/01/09		(529.21)
12/01/09		(1,858.35)
12/01/09		(588.62)
12/01/09		(353.99)
12/01/09		(588.62)
12/01/09		(588.62)
12/01/09		(588.62)
12/01/09		(1,215.51)
12/01/09		(3,993.41)
12/01/09		(588.62)
12/01/09		(588.62)
12/01/09		(588.62)
12/01/09		(588.62)
12/01/09		(181.72)
12/01/09		(208.14)
12/02/09		(1,215.51)
12/02/09		(588.62)
12/02/09		(1,125.20)
12/02/09		(1,228.71)
12/02/09		(280.84)
12/02/09		(304.33)
12/02/09		(255.16)
12/02/09		(41.33)
12/02/09		(127.34)
12/02/09		(280.84)
12/02/09		(905.55)
12/02/09		(415.03)
12/03/09		(6,013.39)
12/03/09	POPE INC.	
12/03/09		(428.89)
12/03/09		(1,236.60)
12/03/09		(152.50)

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REDACTED

**SEC v. ALAN TODD MAY and PROSPER OIL & GAS, INC. a/k/a PROSPER ENERGY, INC.**  
**Consolidated Banking Activity for Texas Capital Bank Account No. XXXX-8897 and**  
**Peoples State Bank Account No. XXXX-5800**  
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**INVESTOR DISTRIBUTION PAYMENTS**

TRANSACTION DATE	TRANSACTION DESCRIPTION	AMOUNT
12/03/09		(280.84)
12/04/09		(345.96)
12/04/09		(507.64)
12/04/09		(599.94)
12/04/09		(588.62)
12/04/09		(588.62)
12/04/09	JON POPE	(689.13)
12/04/09		(588.62)
12/04/09		(588.62)
12/04/09		(588.62)
12/04/09		(7,182.23)
12/04/09		(111.15)
12/07/09		(588.62)
12/07/09		(164.75)
12/07/09		(588.62)
12/07/09		(588.62)
12/07/09		(3,257.75)
12/07/09		(2,865.02)
12/07/09		(1,157.65)
12/08/09		(1,650.72)
12/08/09		(280.84)
12/08/09		(137.92)
12/08/09		(280.84)
12/08/09		(7,650.09)
12/08/09		(599.94)
12/08/09		(1,375.31)
12/08/09		(1,072.14)
12/08/09		(137.92)
12/08/09		(6,939.77)
12/08/09		(112.89)
12/08/09		(483.97)
12/09/09		(450.16)
12/09/09		(1,561.45)
12/09/09		(293.93)
12/09/09		(609.43)
12/09/09		(75.26)
12/09/09		(41.33)
12/09/09		(2,273.31)
12/09/09		(224.50)
12/09/09		(1,151.36)
12/10/09		(1,769.66)
12/10/09		(41.19)
12/10/09		(399.34)
12/10/09		(588.62)
12/10/09		(1,272.02)
12/11/09		(484.46)
12/11/09		(980.30)
12/11/09		(665.15)
12/11/09		(1,477.77)
12/11/09		(588.62)
12/11/09		(9,656.95)
12/14/09		(58.67)
12/14/09		(2,133.69)
12/15/09		(150.49)
12/15/09		(30.53)
12/15/09		(319.82)
12/16/09		(4,608.97)
12/16/09		(255.16)
12/17/09		(2,356.92)
		(588.62)

APP14

REDACTED



**SEC v. ALAN TODD MAY and PROSPER OIL & GAS, INC. a/k/a PROSPER ENERGY, INC.**  
**Consolidated Banking Activity for Texas Capital Bank Account No. XXXX-8897 and**  
**Peoples State Bank Account No. XXXX-5800**  
**For the Period From November 1, 2009 to December 31, 2009**

**INVESTOR DISTRIBUTION PAYMENTS**

<b>TRANSACTION DATE</b>	<b>TRANSACTION DESCRIPTION</b>	<b>AMOUNT</b>
12/17/09		(5,387.77)
12/17/09		(124.22)
12/17/09		(588.62)
12/17/09		(507.98)
12/17/09		(582.76)
12/18/09		(588.62)
12/21/09		588.62
12/21/09		(2,356.92)
12/22/09		2,356.92

**TOTAL INVESTOR DISTRIBUTION PAYMENTS FROM 11/1/2009 THROUGH 12/31/2009**

**\$ (225,200.74)**

**REDACTED**